



**City of Saint Paul
Division of Parks and Recreation**

**Youth Programs Fund
RULES AND REGULATIONS
Updated October, 2009**

Fund Established

There is hereby established a special fund for the administration and distribution of the proceeds contributed by charitable gambling in on-sale liquor establishments as specified in this chapter. This fund shall be known as the "Youth Program Fund." **The purpose of this fund shall be to assist in providing fee waivers for youth programs organized and run by the Division of Parks and Recreation.**

Limitations on Use of Funds

- (1) Funds are to be used ***solely*** for the purpose of waiving or reducing the fees for participation by Saint Paul residents between the ages of 2 and 18, in city-sponsored and run youth recreation or educational programs. Youth who are of age must be actively enrolled and attending school to qualify.
- (2) No part of the funds deposited in the Youth Program Fund shall be used for any part of the costs of administration or regulation of such fund.
- (3) Funds are not to be deposited in the city's general fund, but must be placed in a special fund designated specifically for this use.
 - (a) *Eligibility for fee waivers.*
 - (b) Eligibility for fee waivers shall be determined on an annual basis.
 - (c) Annual allocations are provided per calendar year and cannot be carried forward.
 - (d) The maximum annual per qualifying child allocation shall be set annually by the Director of Parks and Recreation.
- (4) Fee waiver allocations shall be based upon the Federal Poverty Level Guidelines, with qualifying youth whose family income is at or below 130% of the Federal Poverty Level Guideline eligible for a fee waiver equal to 90% of the original total program offering fee, and qualifying youth whose family income is greater than 130% but at or below 185% of the Federal Poverty Level Guideline eligible for a fee waiver equal to 75% of the original total program offering fee. The minimum amount of payment shall be \$1.00 per course offering.
- (5) Maximum annual per child allocations shall also be based upon the Federal Poverty Level Guidelines, with qualifying youth whose family income is at or below 130% of the Federal Poverty Level Guideline eligible for 100% of the annual maximum per child allocation, and qualifying youth whose family income is greater than 130% but at or below 185% of the Federal Poverty Level Guideline eligible for 75% of the annual maximum per child allocation.
- (6) Fee waiver assistance is contingent upon a funding balance in the Youth Program Fund. (Ord. No. 17321, § 5, 12-31-85; Ord. No. 17613, § 6, 11-17-88; Ord. No. 17925, § 1, 5-28-92; C.F. No. 94-745, § 4, 6-22-94; C.F. No. 07-293, § 1, 4-25-07)

Advisory Board

The mayor, with the advice and consent of the city council shall appoint a city-wide Charitable Gambling Eligible Recipient advisory board whose membership shall consist of one (1) youth and one (1) adult representative from each of the city's council districts as well as four (4) at-large members to advise the city council on the eligible recipients of these funds. The advisory board shall by resolution adopt rules and regulations governing criteria for eligible applicants and appropriate uses for the funds, which rules shall, prior to becoming effective, be approved by the city council. These rules shall include all the provisions of this section.

Eligible Recipients List Established

There is hereby established a list of recipients eligible for distribution of proceeds contributed by charitable gambling in on-sale liquor establishments as specified in this chapter, and in private clubs and other places as provided in section 402.10 of these chapters. The list of eligible recipients shall be promulgated annually by resolution by the city council upon the advice and report of the board. Such list may be amended from time to time by the city council to add or delete recipients. Such list shall be maintained for public inspection in the office of the city clerk, and shall be mailed quarterly to all organizations conducting charitable gambling within the City of Saint Paul by the Office of License, Inspections and Environmental Protection.

Applicant Qualifications for Inclusion on List

Applicants shall be required to apply annually and shall meet the following requirements in order to be included on the list:

- (1) Applicants for inclusion on the list must be incorporated, nonprofit organizations formed solely for the purpose of serving Saint Paul youth, or having an incorporated, nonprofit organization, which provides programs for Saint Paul youth, as a fiscal agent. Booster clubs, which provide programs for youth, organized for a recreation center will be eligible, but organized clubs, activities and teams of public or private schools, will not be eligible. Evidence that an organization has been recognized by the IRS as exempt from taxation pursuant to 26 U.S.C. Section 501 or is using an organization so recognized as a fiscal agent shall be accepted as proof that it is a nonprofit organization, but such evidence is not the exclusive method of establishing nonprofit status.
- (2) No other organization shall be eligible for inclusion on the list.

Requirements for Applications for Inclusion on the List

Each applicant for inclusion on the list shall provide information setting forth its stated purpose, number of participants served, area served and the reasons why funds are needed.

The submitting organization **MUST** provide at the time of application:

- a. Verification of nonprofit status and copy of organizational bylaws.
- b. List of current officers or directors.
- c. Letter verifying organization's approval of the proposal and, where necessary, letter verifying approval of the application and proposal by the board of the fiscal agent.
- d. Previous year's budget and financial statement.
- e. Current balance sheet and income statement, if applicable.
- f. Proposed budget (expenses and income) for the activity.
- g. Evidence that insurance, if needed, can be obtained by the organization.
- h. Area served, number of participants served, and reasons why funds are needed.

The financial information must demonstrate that the majority of the organization's funding is used for the benefit of the public in providing youth programs for youth twenty (20) and under, at least seventy-five (75) percent of whom are residents of the city.

Ineligible Recipients

Ineligible recipients include:

- (1) No organization operating charitable gambling in the State of Minnesota will be eligible for inclusion on the list.
- (2) An organization formed, incorporated, operated or managed by the members, officers or directors of any organization operating or conducting lawful gambling, or subject to the requirements for contributions under sections 409.22(1) or 402. 10 of the Legislative Code, or the ten (10) percent contribution requirement in this section, shall not be an eligible recipient.
- (3) An eligible recipient, as a condition to continuation on the list, may not engage in or operate charitable gambling nor use any contributions received as a result of its status as an eligible recipient for anything other than a lawful purpose. Each recipient as a condition of receipt of contributions must execute the verified receipt and representations required above.

Contributions Required

Organizations conducting charitable gambling within the City of Saint Paul shall, to meet requirements imposed by law, including, but not limited to, sections 402.10 and 409.22(14) of the Saint Paul Legislative Code, give ten (10) percent as required therein to one (1) or more eligible recipients on the list promulgated by the city council or to the Youth Program Fund established under section 409.23. All such contributions must go only to eligible recipients on the list provided above. An organization cannot contribute to any recipient not furnishing the verified receipt as provided.

Affidavit

Each eligible recipient shall annually, during the month of January, file an affidavit with the Youth Program Fund manager, in which each officer of the recipient shall state that the contributions which it received during the previous calendar year have been expended for a lawful purpose and state the purpose, that all previous contributions, if any, have been expended for lawful purposes, that the calendar-year total of contributions received as a result of its status as an eligible recipient does not exceed the allowable amount under the ordinance, that it does not operate any gambling activities, and that no such contribution or any previous contribution will be or has been used for capital expenses, salaries or travel expenses except as may be allowed herein.

Limitations on Award and Use of Funds

Capital Expenses:

- (1) Funds may NOT be used for capital expenses, except as may be provided in administrative rules adopted by the advisory board permitting use of funds for purchase or maintenance of capital goods other than real property, nor for salaries or travel expenses, but may be expended for an individual or team representing the city or state in the state or national championship tournament in that sport or activity, or from the city where such individual or team has qualified for the state or national championship tournament in that sport or activity by competing in and winning the championship of a tournament in the city or state; provided, that travel expenses shall not be paid for any invitational tournament, qualifying tournament or other tournament. The term "championship tournament" means that such tournament is sanctioned as such by the governing body of that sport or activity. Funds may also be expended for reasonable bus rental for same-day trips for special events or activities.

Limitations on Award and Use of funds – continued

Award Limits:

- (2) Programs will be limited to eight thousand dollars (\$8,000.00) in contributions each year. Organized athletic programs, regardless of sport, based at or primarily using the facilities or equipment of a particular recreational facility may be considered one (1) program at that facility.

Community Development Block Grant Eligibility (CDBG):

- (3) In addition to the foregoing, an eligible organization may be allowed to receive an additional six thousand dollars (\$6,000.00) of contributions each year if the organization is located with, or primarily served youth located in, a Community Development Block Grant-eligible area or the organization can demonstrate that a majority of the youth directly benefited by the program come from families whose income is below the income standards which are used to measure Community Development Block Grant area eligibility.

Contribution of Checks Through The License Division

Notwithstanding any other provision of law to the contrary, an organization conducting charitable gambling shall make its contribution to an eligible recipient on the list by sending its check for the amount to the license inspector. The license inspector shall verify that the intended eligible recipient has complied with all requirements of this chapter and that the proposed contribution will not exceed the allowable limits, nor be in excess of eight thousand dollars (\$8,000. 00) for that calendar year (as modified by the provisions of section (h) above concerning organizations in certain eligible areas or making certain demonstrations). If all requirements of law have been satisfied, the LIEP director shall forward such contribution to the intended eligible recipient by mail.

Alternate Compliance

Notwithstanding any provision of law to the contrary, any organization conducting charitable gambling within the City of Saint Paul may satisfy its obligations under paragraph (e) above and sections 402.10 and 409.22(14) of the Code to give ten (10) percent of its net profits to eligible recipients by, in lieu thereof, contributing such ten (10) percent to the Youth Program Fund established under section 409.23 of the Code.

(Ord. No. 17652, § 4, 6-1-89; Ord. No. 17925, § 4, 5-28-92; C.F. No. 96-394, § 3, 5-8-96; C.F. No. 07-149, § 160, 3-28-07; C.F. No. 07-293, § 2, 4-25-07)

City of Saint Paul
Division of Parks and Recreation
Staff contact:
Eric Thompson
Parks and Recreation Program Coordinator
1100 N. Hamline Ave.
Saint Paul, MN 55108
651-632-2415
eric.thompson@ci.stpaul.mn.us